

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: SUPPORT SERVICES

DATE: JANUARY 6, 2010

COMMITTEE MEMBERS PRESENT:

SUPERVISORS TAYLOR
 STRAINER
 STEC
 McCOY

COMMITTEE MEMBERS ABSENT:

SUPERVISORS VANNESS
 GIRARD
 LOEB

OTHERS PRESENT:

FREDERICK MONROE, CHAIRMAN
PAUL DUSEK, COUNTY ATTORNEY
JOAN SADY, CLERK OF THE BOARD
KEVIN GERAGHTY, BUDGET OFFICER
SUPERVISOR BENTLEY
AMY CLUTE, SELF-INSURANCE ADMINISTRATOR
JOHN BIENIEK, VICE PRESIDENT, COOL INSURING AGENCY, INC.
CHRISTOPHER LEMIRE, LEMIRE JOHNSON LLC
JACINDA CONBOY, LEMIRE JOHNSON LLC
DON LEHMAN, *THE POST STAR*
JOANNE COLLINS, LEGISLATIVE OFFICE SPECIALIST

Mr. Taylor called the meeting of the Support Services Committee to order at 9:33 a.m.

Motion was made by Mr. Strainer, seconded by Mr. Stec and carried unanimously to approve the minutes of the previous meeting, subject to correction by the Clerk of the Board.

Privilege of the floor was extended to John Bieniek, Vice President of the Cool Insuring Agency, Inc., who distributed copies of the Insurance Proposal (renewal) prepared for Warren County, *a copy of which is on file with the minutes.*

Proceeding with the proposal review, Mr. Bieniek offered some history of the County's program. He noted that Warren County had a seven year relationship with NYMIR (New York Municipal Insurance Reciprocal), an insurance company which was capitalized and owned by its members. For the first six years, he apprised that the County realized favorable experience/loss ratio of 35%. He noted a 5% rate reduction for last year, and concurrently acknowledged a significant automobile claim, followed by a general liability claim which involved the Town of Hague whereby both incidents impacted premium. Mr. Bieniek cited a fatal accident in Hague in 2008 which initiated a lawsuit that involved the Town of Hague and Warren County. He noted that the County questioned the Town regarding snow removal and the Town of Hague asserted that the accident was exacerbated by poor road design and that it had not been an issue of snow removal.

Continuing, Mr. Bieniek stated that the County had a three year pollution liability policy which covered both aboveground and underground fuel tanks. He further stated that in the interest of cost containment, he had researched the cost of a one year policy term; however, he said, the three year premium of \$71,595 was the best value versus the cost of the one year term of \$41,276. Mr. Bieniek recommended the three year policy term which was within the budgeted 5% premium increase.

Mr. Bieniek reviewed various coverage lines and he referred to section one of the proposal

which included the Property Schedule - Statement of Values, which had increased to \$16,364,000, (or an 18% increase) due to the completion of the Human Services Building (HSB) effective December 1, 2009; the Soil and Water Conservation Building in Warrensburg which was completed earlier in 2009; and the train platforms. He noted the current blanket amount for personal property limit was \$108,088,768.

Mr. Taylor inquired about the former Department of Social Services (DSS) building relative to insurance coverage and Mr. Bieniek apprised that it was on the property schedule for replacement cost only. Paul Dusek, County Attorney, stated that the former DSS building could be removed from the policy as it would be demolished and Amy Clute, Self-Insurance Administrator, noted that coverage must be maintained until all operations had moved out of the building. Mr. Bieniek stated that all contents had now been moved, and an estimated \$3,200 in premium could be saved by removing the building from the policy.

Mr. Strainer inquired about the need to retain some level of coverage on the former DSS building until the demolition was completed and Mr. Bieniek replied affirmatively and noted that liability must be maintained in case of injury. With regard to coverage, Mr. Dusek addressed the possibility of harm caused by something in the building such as pollutants, excluding underground sources, which might effect neighboring residences and Mr. Bieniek agreed and stated that pollution liability was covered in the policy.

Mr. Geraghty raised the issue of the County Offices located at 333 Glen Street and Mr. Dusek pointed out that there were two leases on that property, one which expired on December 31, 2009, and the other to expire February 28, 2010. He further stated that coverage must comply with the terms of the lease agreement, and he planned to meet with Mr. Bieniek to discuss the retention of minimum coverage on the site.

Mr. Bieniek reviewed section three, Contractor's Equipment, which he stated included computers, hardware, and mobile equipment. He noted that the limit was \$12,296,080 for 2010 as compared to approximately \$11.5 million in 2009. Mr. Bieniek stated that Mrs. Clute worked with Department Heads to achieve the specific details included in the report.

Referring to sections four through seven of the renewal packet, Mr. Bieneik advised that the limits of liability for the renewal were unchanged and the County carried approximately \$11 million of liability protection for operational liability, general liability, automobile liability, law enforcement, and public officials liabilities, with a lower limit applied to the professional liability portion relative to the nursing home.

Continuing, Mr. Bieniek referred to section eleven, Premium Costs and the Renewal Comparison. With regard to cost containment efforts, he stated that the review of alternative fuel options (which included propane) by the Sheriff's Office was held in abeyance at this time. Mr. Dusek apprised that the issue was still under research and review. Mr. Bieniek noted that new technologies and methods, such as alternative fuel, required a thorough review of safety considerations.

Mr. Bieniek cited an incident that occurred earlier this year whereby flood damage from a beaver dam caused damage to the railroad infrastructure. The County, he said, initiated a change in policy coverage in early 2009 to include the Brant Lake Dam. He expounded that

another incident in 2009 whereby flooding of the dam caused infrastructure damage resulting in erosion to the road, which had not been covered due to the fact that the road infrastructure was not a scheduled item. Mr. Bieniek asked the Committee to consider such coverage moving forward which would insure above ground items, such as the railroad beds and ties, in the event of damage caused by floods. He asserted that there were many perils in addition to fire that could ensue. Furthermore, Mr. Bieniek said that for Warren County's \$108,088,768 in scheduled property coverage, that \$1,000,000 in both flood and earth movement coverage may not be considered to be sufficient. He noted that cost proposals had been developed for consideration and were presently held in abeyance.

Mr. Stec asked if the damage to County Route 11 would have been covered if earth movement coverage had been included in the policy and Mr. Bieniek stated that part of the damage would have been covered; however, he said, the roadbeds would have had to be a scheduled item for full coverage. He noted that some municipalities insured their bridges and Warren County had chosen not to insure that infrastructure. He reiterated that the policy was amended/expanded in 2009 in response to the downstream damage caused by flooding.

Mr. Bieniek apprised that last year NYMIR began the practice of refunding a portion of the capital to the County, and he noted that Warren County received \$31,000 last year with the same amount expected in February 2010.

Chairman Monroe addressed the Opera House at the Gaslight Village property for which he felt coverage was excessive at \$700,000. Mr. Bieniek stated that following a tour of the property with Mr. Dusek when the final usage plans for the structure were yet to be determined, the building shell valued at \$700,000 was insured for replacement cost at the rate of \$ 0.08 cents per \$1,000.

Mr. Taylor noted that reserves were estimated at \$600,000 and asked if reserves that had been closed out could be credited to the reserve total. Mr. Bieniek stated that he remained vigilant of all losses and noted that those posted in 2008 and 2009 primarily consisted of automobile, law enforcement and general liability incidents where reserves were posted. He further stated that after follow-through, if no action (lawsuit) ensued, he would proceed in a manner to add the closed out reserves to the current reserve balance. Mr. Bieniek informed that he would distribute a schedule of loss data to the Committee in the future.

Relative to the dam in the Town of Horicon, Chairman Monroe asked if the dam was County owned and Mrs. Clute explained that there were two dams in the Town of Horicon and the Brant Lake lower dam with lights was County property, and the dam located at the top of the pond belonged to the Town of Horicon.

Mr. Geraghty requested an executive session to discuss pending litigation. Motion was made by Mr. Stec, seconded by Mr. Strainer and carried unanimously that executive session be declared pursuant to Section 105 (d) of the Public Officers Law.

Executive session was declared from 10:00 a.m. to 10:55 a.m.

Committee reconvened at 10:55 a.m. and Mr. Taylor stated no action was taken as a result of the executive session.

Motion was made by Mr. Stec, seconded by Mr. McCoy and carried unanimously to authorize the renewal of the property and casualty insurance for 2010 as presented by Mr. Bieniek and to authorize payment for the insurance coverage to Cool Insuring Agency, Inc. The necessary resolution was authorized for the January 15, 2010 Board meeting. *A copy of the resolution request form is on file with the minutes.*

Privilege of the floor was extended to Paul Dusek, County Attorney, who presented a request to fill the vacant position of Confidential Secretary, base salary \$34,357, Employee No. 10580, due to resignation effective January 22, 2010. He noted this position was critical to the operation of the County Attorney's Office. Mr. Dusek stated that Diana Morrissey, who has served in the position for over six years was a chief contributor in the Office. He noted that this was an exempt position.

Motion was made by Mr. Strainer, seconded by Mr. Stec and carried unanimously to approve the request to fill the vacant position of Confidential Secretary as outlined above and to refer same to the Personnel Committee. *A copy of the Notice of Intent to Fill Vacant Position is on file with the minutes.*

Mr. Geraghty inquired about alternatives to replacing the position and Mr. Stec noted the possibility of filling the vacancy with another County employee. Joan Sady, Clerk of the Board, stated that the position vacancy would be posted.

As there was no further business to come before the Support Services Committee, on motion made by Mr. McCoy and seconded by Mr. Stec, Mr. Taylor adjourned the meeting at 11:03 a.m.

Respectfully Submitted,
Joanne Collins, Legislative Office Specialist